

Nintendo Australia Pty Limited

The National Packaging Covenant

REPORT ON
ACTION PLAN 2005-2008

REPORT PERIOD
JULY 2006 – JUNE 2007



Nintendo Australia Pty Limited
804 Stud Road
Scoresby Victoria 3179

INTRODUCTION TO THE NATIONAL PACKAGING COVENANT

The National Packaging Covenant Objective¹

The objective of the Covenant is to reduce environmental degradation arising from the disposal of used packaging and conserve resources through better product design and production and the re-use and recycling of used packaging materials.

Strengthened Covenant¹

The National Packaging Covenant (Covenant) has been the leading instrument for managing the environmental impacts of consumer packaging in Australia since 1999. It is the voluntary component of a co-regulatory arrangement based on the principles of shared responsibility through product stewardship, between key stakeholders in the packaging supply chain and all spheres of government - Australian, State, Territory and Local.

The Covenant was extensively reviewed throughout 2004 and revised in response to the findings of the Evaluation of The National Packaging Covenant and Consultation Process and a general agreement by all stakeholders that the model needed to be significantly strengthened if it was to continue.

At their meeting on 1 July 2005 the Environment Protection and Heritage Council agreed to the proposal for a strengthened Covenant for a term of five years to commence when the current Covenant expired on 14 July 2005.

Overarching Targets for 2010¹

The overarching targets for 2010 were developed to demonstrate clearly whether the Covenant is meeting its goals and contributing to better lifecycle management of packaging. All signatories to the Covenant will work together to deliver these targets. The Covenant's three overarching targets for 2010 are:

- A National recycling rate of 65% for post consumer packaging (comparing to the 2003 baseline of 48%), with contributions from:
 - Paper and cardboard 70-80% (currently at 64%)
 - Glass 50-60% (currently at 35%)
 - Steel 60-65% (currently at 44%)
 - Aluminium 70-75% (currently at 64%)
 - Plastics 30-35% (currently at 20%)
- No further increase in the amount of packaging waste disposed to landfill over the current (2003) baseline.
- A recycling rate of 25% for materials that are either not currently recycled or are recycled at very low rates (currently 10%)

Environmental Code of Practice for Packaging (ECoPP)¹

The purpose of the Code and Guidelines is to demonstrate environmental stewardship in packaging design and selection. Its application will be via packaging designers and manufacturers, brand owners, retail buyers and product importers.

Accordingly the objectives of the Code and Guidelines are to:

1. Protect and deliver goods efficiently with the minimum environmental impact.
2. Use resources (including materials and energy) more efficiently.

3. Reduce the amount of waste and litter generated by packaging through facilitating reuse or recycling.
4. Minimise negative impacts of packaging and packaged products on humans and the natural environment.
5. Ensure effectively and clearly documented practices are in place to address environmental concerns in the product development and review process for packaging and packaged products.

More broadly, the Code and Guidelines should be seen as tools for the design and manufacture of innovative packaging that meets the sometimes conflicting demands of the market, consumer protection and the environment.

¹ The National Packaging Covenant Strategic Partnerships in Packaging, National Packaging Covenant Industry Association, July 2005

HISTORY OF NINTENDO AUSTRALIA

Introduction

Nintendo Australia Pty Limited (Nintendo Australia) established in 1994, is the local head office of Nintendo Co. Ltd. of Kyoto, Japan.

Nintendo Australia became a signatory to The National Packaging Covenant in August 2002 and recognises the importance of minimizing the effects of packaging materials on the environment.

Nintendo Australia supports the new strengthened Covenant and re-signed The Covenant on 27th September 2005.

In submitting these Action Plans Nintendo Australia have committed to the principles of The National Packaging Covenant and continue to strengthen our internal Environmental Committee to review, action and promote a responsible approach to the protection of the environment.

The Company

Recognised as the worldwide leader and innovator in the creation of interactive entertainment, Nintendo Co. Ltd. manufactures and markets hardware and software for its popular home video game systems and portable hand held game systems.

Nintendo Co. Ltd. was founded in 1889 as a manufacturer of "Hanafuda", Japanese playing cards and became the first manufacturer of western style playing cards in Japan. Nintendo Co. Ltd. had many successful years manufacturing various types of playing cards and games before branching into the electronic toy industry.

Nintendo Co. Ltd. introduced electronic technology into the toy industry for the first time in Japan in 1970. The following years saw the development and innovation of video games and the birth of the video games industry.

Nintendo have operations in the US and Canada as well as Germany, France, Spain, the Netherlands, Belgium and Australia. Today, Nintendo Co. Ltd. is recognised as the leading software based Entertainment Company in the world.

Nintendo Australia was formed in 1994. Prior to this, for seven years Nintendo products were available in Australia through a distributor. Nintendo Australia currently employs 54 permanent staff at the Head Office in Scoresby, Victoria.

Nintendo Group Worldwide develops, manufactures, markets and distributes video games. Icons like Mario, Zelda and Pokémon are unique to Nintendo video games systems and world recognised. The home video games machines (Nintendo Entertainment System, Super Nintendo, Nintendo 64, GameCube, Wii) are console systems that connect to a Television and are played using a hand controller and game (cartridge or disc). Our newest console, the "Wii" was released in early December 2006 and has since achieved outstanding sales for a product that has been on the market for such a short period.

The portable video game system (Game Boy, Game Boy Advance, Game Boy micro, Nintendo DS and Nintendo DS lite) are all battery operated hand held consoles using a cartridge/game card based game. Nintendo Australia has sold over 2.5 Million Game Boy units since it was introduced in 1989 and over 840,000 DS and DS Lite combined since the release in February 2005. The success of the Nintendo brand is due to the production of high quality products, high entertainment value and innovative games and systems.

Nintendo Australia has also sold over 5.4 million of software for video games since 2000. The product range currently in the Australian market includes Nintendo GameCube, Game Boy Advance, Nintendo DS, and Wii, a range of software titles and styles including Adventure, Action, Racing, Role play, Classic and Sports games as well as various accessories for each platform.

Environmental Policy

Nintendo Australia is aware of the necessity to comply with all Government environmental legislation to minimise waste and increase efficiency, reduce energy consumption, minimise the effects of our operations on the environment, establish systems for and encourage recycling, educate and encourage staff to be environmentally aware and promote responsible environmental management to our suppliers and dealers.

Nintendo Australia is committed to ensuring that environmental considerations are included from the planning and development stages through to the end of the working life and disposal of the product. With these considerations in mind Nintendo Australia will seek to have as minimal impact on the environment as is commercially possible.

Current Status

Nintendo Australia products are imported from our Head Office in Japan and manufacturing plants throughout Asia. Most of our products are imported as finished goods ready for retail sale. These products are designed and manufactured to meet strict quality and safety standards.

Nintendo Australia's policy is to comply with environmental regulation wherever applicable and to use recyclable packaging materials wherever possible.

Nintendo Co. Ltd. continually reviews packaging design and materials for efficiency, minimization of waste and impact on the environment.

In order to fully understand the types and quantities of packaging materials used and identify areas for improvement an audit of the types of packaging materials used for our current products was performed in our first year as a signatory to The Covenant. In addition to identifying the types of materials used investigation was made into ways of measuring and recording the quantities of these materials. An ongoing part of our Action Plan has been to record quantities of waste currently generated and implement ways to reduce this by eliminating, reusing and recycling these materials. A more effective recording system was created and implemented during the last reporting period.

The current packaging materials in use are:

Cardboard	- Retail product master
	- Cartons Shipper/Inner
	- Point of Sale Sleeves
Paper	- Consumer product information
	- Shipping and handling information
	- Labels
Plastic	- Bags
	- Inner Tray
	- Game cases
	- Strapping Buckles
Polyethylene	- Stretch film
	- Bubble wrap
	- Pallet Bags/liners
Polypropylene	- Strapping
Wood	- Treated pine pallets
	- Hardwood pallets
Wire	- Vinyl coated ties

Major Achievements

Since becoming a signatory to the National Packaging Covenant in August 2002, Nintendo Australia has implemented various collection facilities for the recycling of all recyclable packaging materials. This has led to the number of collections per week of our three metre waste bin (going to landfill) reduced from two/three times a week down to once a week sometimes even once every two weeks.

Ongoing communications and updates between the Environmental Committee members and staff has been a contributing factor to the success of implementing these changes, and educating staff on how we dispose of packaging materials correctly.

Nintendo Australia will endeavor to continue researching and investigating ways we can implement recycling collection facilities for our current non recyclable packaging materials and waste. We aim to achieve our goal outcome of having a recycling system for all our packaging materials and waste which can then eliminate the need for a collection facility of materials going to landfill.

Nintendo Australia will endeavor to continue researching and investigating ways we can implement recycling collection facilities for our current non recyclable packaging materials and waste. We aim to achieve our goal outcome of having a recycling system for all our packaging materials and waste which can then eliminate the need for a collection facility of materials going to landfill.

Current Projects

Nintendo Australia feel we have all current packaging KPI's in hand and we are always continuing to investigate recycling options for those few material we use in the packaging process that are currently not recyclable.

As a company we are always looking to research topics other then Packaging to help the environment. Some examples of these are:

The environmental committee is investigating ways to reduce Carbon emissions. Research is taking place between the environmental committee and the company's energy provider in regards to green energy. We have discovered many different ways in which green energy can be incorporated into our business. You can allocate a percentage of Green energy that you would like to purchase ie: 25% green energy and 75% standard supply of the grid. As this is quite a significant increase in cost, Nintendo Australia is always looking to implement various processes within the day to day working life of employees, little tasks that may not make a big difference in the short term but can all add up are things such as switching off lights when they are not in use and the forthcoming change of all CRT computer monitors to low power draw LCD monitors. Solar or Wind power generation on site in future is also a possibility.

Another project that the Environmental Committee is looking into is the Bokashi system. This is a food waste system that breaks down food scraps which then are later placed onto our gardens. This will help reduce waste going into our landfill bins, reducing the collections required even further.

NATIONAL PACKAGING COVENANT KEY PERFORMANCE INDICATORS

The KPI's that are relevant to Nintendo are KPI 1, 6, 16, 21, 26, 27, 28 & 29.

KPI	REPORTING MEASURE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
<p>1. Total weight of consumer packaging (domestic & imported) sold per annum into the Australian Market and the total weight of products packaged.</p>	<p>1A. Report tonnes of packaging by material type & by source (local or imported)</p> <p>1B. Report tonnes of packaged product sold.</p> <p>1C. Report ratio of product to packaging (by weight).</p>	<p><i>Implemented 1A:</i> A reporting system that records the total quantities of products imported as a finished product. Each packaging material within each product is then recorded separately to calculate the total weight of all the packaging material used for each product.</p> <p>Locally produced packaging is recorded separately.</p> <p>To calculate all locally produced packaging, a Packaging Check List Form is completed for every order placed with our printing supplier identifying the material used, quantity produced, and weight in kilograms produced. These can then be converted to tonnes.</p> <p><i>To Implement 1B:</i> An additional column of the above Spreadsheet has been added to record the total quantities, and therefore the total weight of product being imported to show total product sold.</p> <p><i>To Implement 1C:</i> Report ratio of product to packaging (by weight).</p>	<p>Operations Manager</p> <p>Warehouse Supervisor</p> <p>Trade Marketing Coordinator</p> <p>General Manager Sales</p> <p>Planning Secretary</p>	<p>31 October 2006-2008</p> <p>31 October 2006-2008</p> <p>31 October 2006-2008</p>

KPI	REPORTING MEASURE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
<p>6. Total Weight, by type, of "non-recyclable" consumer packaging sold per annum into the Australian Market.</p>	<p>6A. Report tonnage of "non recyclable" packaging sold by material type and total.</p> <p>6B. Report total "non recyclable packaging" as a % of total packaging sold.</p>	<p><i>Implemented 6A:</i> Our database records all materials that make up the packaging to all of our products, whether they are recyclable or non recyclable materials. Continue with these recordings.</p> <p><i>To Implement 6B:</i> Report total "non recyclable" packaging as a % of total packaging sold.</p>	<p>Operations Manager Warehouse Supervisor</p> <p>Trade Marketing Coordinator</p> <p>Planning Secretary</p>	<p>31 October 2006-2008</p> <p>31 October 2006-2008</p>
<p>16. Percentage of signatories providing recycling collection facilities for post-consumer packaging generated on-site.</p>	<p>16A. Report on whether on-site recycling facilities are provided or not.</p> <p>16B. If yes, provide details.</p>	<p><i>Implemented 16A:</i> Recycling collection facilities are already in place for the following materials;</p> <ol style="list-style-type: none"> 1. Wheelie Bins - All paper materials 2. Bulk Bin - All cardboard materials 3. Commingle Bins - for aluminium and plastic materials 4. Toner Bins - For plastic toner materials. 5. Bale Bags - Shrink wrap material 6. Security Destruction - confidential paperwork <p><i>To Implement 16B:</i> A recording system that records the collection of each bin, to allow the calculation of the total weight of each product being recycled.</p>	<p>Operations Manager</p> <p>Warehouse Supervisor</p>	<p>31 October 2006-2008</p> <p>31 October 2006-2008</p>

KPI	REPORTING MEASURE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
<p>21. Estimate tonnage of consumer packaging sent (a) for recycling and (b) to landfill from on-site collection facilities.</p>	<p>21A. Report on amounts of consumer packaging from on-site collection which is</p> <p>(i) Sent for recycling (tonnes and % of total waste); and</p> <p>(ii) Sent to landfill (tonnes and % of total waste).</p>	<p><i>Implemented 21A (i):</i> A disposal spreadsheet recording all recyclable packaging materials that are disposed of in quantity and weight.</p> <p><i>To Implement 21A (ii):</i> The recording of the quantity and weight figures for each collection of landfill waste to record tonnes and total waste.</p>	<p>Operations Manager</p> <p>Warehouse Supervisor</p> <p>Trade Marketing Coordinator</p>	<p>31 October 2006-2008</p>
<p>26. Implementation of Buy Recycled Purchasing Policy or practices.</p>	<p>26A. Report on whether the signatory has implemented a Buy Recycled Purchasing Policy or practices.</p> <p>26B. If yes, provide details and quantitative data where available.</p>	<p><i>To Implement 26A:</i> Investigate and implement a Buy Recycled Purchasing Policy. Assess current stationery supplier and receive quotes from competitive suppliers to look at pricings. Advise current stationery supplier of our commitment to the National Packaging Covenant and negotiate better prices where possible. Engage support from suppliers of our intention to implement change in products.</p> <p><i>To Implement 26B:</i> Report on outcomes and quantitative data.</p>	<p>Business Affairs Assistant</p>	<p>31 October 2006-2008</p>
<p>27. Establishment of baseline performance data.</p>	<p>27A. Report indicative baseline data (where available), including qualifiers and assumptions.</p> <p>28B. Report established baseline data by 31 October 2006.</p>	<p><i>To Implement 27A:</i> Set up spreadsheets for the reporting of data where not yet implemented. Continue to report and update recording systems already in place and conduct an audit every 6 months. Include indicative baseline date in Action Plan where available.</p> <p><i>To Implement 28B:</i> Report on established baseline data by 31 October 06.</p>	<p>Business Affairs Assistant</p>	<p>1 July 2005</p> <p>31 October 2006-2008</p>

KPI	REPORTING MEASURE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
<p>28. Annual Reporting against Action Plan.</p>	<p>28A. Report to be lodged annually commencing 2006 outlining progress against baseline data, individual Action Plan commitments, targets and timelines.</p>	<p>To <i>Implement 28A</i>: Conduct regular audits (on a 6 months basis) of departments, checking their data recording process of all KPI's and targets to ensure that information is up-to-date and will reflect accurate provision of our company baseline data.</p>	<p>Business Affairs Assistant</p>	<p>31 October 2006-2008</p>
<p>29. Demonstrated improvement and achievements against individual targets and milestones.</p>	<p>29A. Annual report to clearly demonstrate continuous improvements and performance against individual targets and timelines in Action Plan.</p>	<p>To <i>Implement 29A</i>: Submit Action Plan by November 2005. Where applicable we will submit any revisions to this action plan by November 2006. If no revisions or improvements then achievements will be reported in the annual report due annually October 2006-2008.</p>	<p>Business Affairs Assistant</p>	<p>November 2005/2006 and then October 2006-2008</p>

SUMMARY OF PRODUCT STEWARDSHIP AND INDIVIDUAL TARGETS

CATEGORY	OBJECTIVE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
DESIGN	1 Measure total amount of recyclable materials as a ratio of total packaging.	Recording systems established for Covenant compulsory KPI 1 will also record the data required for this KPI.	Operations Manager	January 06
	2 Request information from Nintendo Co. Ltd. on environmental consideration of packaging.	Report the environmental considerations of packaging materials that are incorporated during the design processes.	Director of Business Affairs	January 2006-2008
	3 Evaluate packaging materials for recyclability by using the packaging checklist.	Research and investigation on the recycling of non recyclable materials that are identified on our packaging check list.	Warehouse Supervisor	June 2006
	4 Consult with Nintendo Co. Ltd. on any changed packaging materials.	Report on information received from Nintendo Co. Ltd. regarding variations to specific materials.	Director of Business Affairs	June 2006
	5 Include directions to recycle on outer cartons of Point of Sale when dispatching.	Discuss with our supplier/printer of Point of Sale about implementing this and report findings.	Trade Marketing Coordinator	January 2008
	6 Ensure where possible materials that are recyclable or recycled materials are used for Point of Sale.	Discuss with our printer the implementation of this and report outcomes.	Trade Marketing Coordinator	April 2007
PRODUCTION	1 Advise packaging manufacturer of our commitment to the Covenant and encourage minimizing waste in over-production runs (objective of maximum 0.5% disposal of over production packaging).	Communicate with our packaging manufacturers via letter, our commitment to the Covenant, and continue to work together on the accuracy of orders and production quantities.	Planning Secretary	February 2006

CATEGORY	OBJECTIVE	COMPANY MEASURE	RESPONSIBILITY	DATE DUJ
DISTRIBUTION	1 Record amounts of stretch wrap recycled from newly implemented recycling system.	Inform our service provider of the recording information we require and record data.	Operations Manager	December 2005
	2 Identify areas of waste in the distribution process system and implement a reduction plan.	Report on non recyclable materials in our material range. Liaise where possible with other users of the material/s to share ideas and reduction plans. Provide detailed report.	Operations Manager	March 2006
	3 Raise the level of awareness of waste minimisation with our partners in the distribution process.	Communicate with our suppliers via letter our commitment to minimizing waste in the distribution of inwards and outwards goods.	Operations Manager	May 2006
	4 All printed matter arriving into Nintendo Australia will now have net and gross weight totals enclosed in a report. This will determine the actual product weight.	Implement a reporting system to store this information for future monthly and annual reports and analyses.	Operations Manager	January 2006
	5 Continue to utilise cartons that can be reused for packing and despatch to retailers.	Educate staff on the importance and requirement to re-use incoming cartons where possible. Educate on the correct way to receive and open cartons to ensure where possible they are at the standard for re-use.	Operations Manager	February 2006
DISPOSAL	1 Graph and report monthly figures of waste in Director's monthly reports. Total packaging imported, produced (locally), disposed of and wastes in to landfill and recycled.	To correspond with Covenant KPI 1. Enter information into our reporting system on a monthly basis and add reporting to monthly Operations report.	Operations Manager	February 2006
	2 Implement new recycling systems for materials not currently being recycled (plastic bags, electronic equipment, batteries etc).	Discuss and decide on new implementation where possible by identifying collection facilities available, inform all staff of new implementations, and monitor to ensure full understanding.	Operations Manager	March 2006

CATEGORY	OBJECTIVE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
	3	Reduce waste collections and minimise cardboard going to recycling by reusing.	Operations Manager	April 2006
DISPOSAL	4	Continue with current implemented plans for recycling of cardboard, plastic and paper. Continue to monitor the weights of materials being disposed.	Operations Manager	January 2006
	5	Continue with shredding of printed matter that no longer is to be used. This shredded material can be used for packaging.	Operations Manager	January 2006
MARKET DEVELOPMENT	1	Contribute to the National Packaging Covenant funding arrangements to address a broad range of programs including away from home recycling and enhancing recycling infrastructure.	Director of Business Affairs	December 2005
	2	Investigate best practice for recycling and waste reduction in our industry and overseas.	Director of Business Affairs	May 2006
EDUCATION	1	Continue to raise awareness of our commitment to the National Packaging Covenant by: presentations at quarterly staff meetings, Business Affairs bulletins on recycling, induction program for new staff, or implement an environmental friendly day – lunch packaging.	Business Affairs Assistant	January, April, July & October 2006-2008

CATEGORY	OBJECTIVE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
	2	Education program for retailers including a letter of our commitment to the National Packaging Covenant.	General Manager Sales	March 2006
EDUCATION	3	Include our Action Plan on the company intranet.	Director of Business Affairs	January 2006
	4	Include our Environmental Policy on the company intranet.	Director of Business Affairs	January 2006
	5	Reminder to staff about recycling - what is and what is not a product that can be recycled and where to find this information.	Business Affairs Assistant	January, April, July & October 2006-2008
LABELLING	1	Investigate recycling symbols and ways of including recycling symbols on to product packaging.	Planning Secretary	April 2006
WHOLESALING AND RETAILING	1	Communicate with Retailers (letter) and Merchandisers (Memo) on the correct method of disposals for Point of Sale material.	General Manager Sales & Trade Marketing Coordinator	March 2006

CATEGORY	OBJECTIVE	COMPANY MEASURE	RESPONSIBILITY	DATE DUE
WHOLESALING AND RETAILING	2	Place recycling symbol on Point of Sale material.	Trade Marketing Coordinator	May 2006
	3	List all major trading partners and their commitment to the National Packaging Covenant.	Business Affairs Assistant	March 06 and then October 2006-2008
RECYCLING AND REPROCESSING	1			
REPORTING	1	Nintendo Australia will attend Nintendo's Global Compliance meeting and report on the progress of their Action Plan and commitment under the National Packaging Covenant.	Director of Business Affairs	November 2005-2008

Compulsory Key Performance Indicators.

1,6,16,21,26,27,28 & 29.

KPI 1.

Objective:

Total weight of consumer packaging (domestic & imported) sold per annum into the Australian Market and the total weight of products packaged.

Reporting Measure:

1A. Report tonnes of packaging by material type and by source (local or imported)

1B. Report tonnes of packaged product sold.

1C. Report ratio of product to packaging (by weight).

Results:

1A.

Report tonnes of packaging by material type and by source (local or imported)

JULY 2006- JUNE 2007		
Material	Imported Tonnes	Local Tonnes
Cardboard	205.10	0.00
Paper	111.98	4.97
Plastic	131.12	0.00
Vinyl/Wire Tie	0.26	0.00
Fabric	0.00	0.00
Foam	7.18	0.00
Sub Total	455.64	4.97
Grand Total		460.61 tonnes

*Comparative Data

JULY 2005- JUNE 2006		
Material	Imported Tonnes	Local Tonnes
Cardboard	43.49	9.37
Paper	31.25	24.23
Plastic	32.10	0.00
Vinyl/Wire Tie	0.09	0.00
Fabric	0.54	0.00
Foam	0.11	0.00
Sub Total	107.58	33.60
Grand Total		141.18 tonnes

1B.

Report tonnes of packaged product sold.

JULY 2006- JUNE 2007	
Packaged Product	Tonnes
Game Boy Advance SP	0.97
GameCube	1.52
Nintendo DS	132.16
Game Boy micro	0.00
Wii	493.08
Total	627.73 tonnes

*Comparative Data

JULY 2005- JUNE 2006	
Packaged Product	Tonnes
Game Boy Advance SP	2.01
GameCube	43.38
Nintendo DS	75.14
Game Boy micro	11.63
Total	131.16 tonnes

1C.

Report ratio of product to packaging (by weight).

JULY 2006- JUNE 2007		
Packaging Tonnes	Product Tonnes	Ratio
460.61	627.73	0.73:1

*Comparative Data

JULY 2005- JUNE 2006		
Packaging Tonnes	Product Tonnes	Ratio
141.18	131.16	1.076:1

For every one tonne of packaged product there is 0.73 tonnes of packaging.

Summary:

Overall the results in 1A are the reflection of the release of Nintendo's newest product the Nintendo Wii. The Nintendo Wii as well as the newest version of the Nintendo DS, the Nintendo DS lite, has increased the amount of imported packaging into the Australian Market. Both of these products have had great sales success as shown by the increase of tonnage in packaging materials.

The results indicated in 1B are also reflective of the release of new product to Nintendo's product range.

Traditionally when a new product is released, this product becomes our prominent selling product, leaving the more established products to be outshined. During this reporting period, our results reflect this with both Game Boy Advance SP and GameCube packaging tonnage reducing dramatically. These reductions are then restored by the increase sales in Nintendo DS and with the new release our new product the Nintendo Wii.

Results from 1A, and 1B show dramatic increases in the tonnage of packaging and tonnage of product sold into the Australian Market compared to our results in 2005-2006. These increases however have not been simulated when the ratio of product to packaging is calculated. Our ratio of 0.73:1 is down from the 1.076:1 for the last reporting period

This is reflective of the analysis and investigation that is applied when finalising the packaging for any new product. We package our product with a minimum of packaging yet ensure it is protected and that the consumer is provided with information that is required by industry guidelines and requirements by law.

KPI 6.

Objective:

Total Weight, by type of “non-recyclable” consumer packaging sold per annum into the Australian Market.

Reporting Measure:

6A. Report tonnage of “non recyclable” packaging sold by material type and total.

6B. Report total “non recyclable” packaging as a % of total packaging sold.

Results:

6A.

Report tonnage of “non recyclable” packaging sold by material type and total.

JULY 2006- JUNE 2007		
Material	Imported	Local
Plastic	102.48	0.00
Vinyl/Wire Tie	0.26	0.00
Total		102.74 tonnes

*Comparative Data

JULY 2005- JUNE 2006		
Material	Imported	Local
Paper with holographic laminate	0.01	0.00
Plastic	29.21	0.00
Vinyl/Wire Tie	0.09	0.00
Total		29.30 tonnes

6B.

Report total “non recyclable” packaging as a % of total packaging sold.

JULY 2006- JUNE 2007		
Non Recyclable Packaging	Total Packaging	Percentage %
102.74 tonnes	460.61 tonnes	22.30

*Comparative Data

JULY 2005- JUNE 2006		
Non Recyclable Packaging	Total Packaging	Percentage %
29.30 tonnes	141.18 tonnes	20.75

Total “non recyclable” packaging as a percentage of total packaging sold is 22.30%. This then shows that 77.70% of our total packaging is recyclable which is reflected in KPI 1 of our product stewardship and individual KPI's.

Summary:

December 2006 the Nintendo Wii was released and with new hardware follows multiple software titles. As parallel to last years results, the highest tonnage of non-recyclable material is plastic which is the outer packaging DVD type game cases that we use for our software titles. These game cases are now a part of the packaging for our Nintendo Wii as well as reported DS software titles and our Nintendo Wii software titles. The increase in the tonnage of our plastic game cases is due to the decrease in sales of the Gameboy Advance, the new release of the Nintendo Wii and the multiple software titles that have been released since its launch. As well as the DVD game cases now used for the Nintendo DS and Nintendo Wii, the Nintendo Wii cases are double the size of the Nintendo DS cases. Consumers generally retain the packaging to protect and store the product throughout the life of the product. The incidence of this packaging going to landfill is very limited over the extended life of the product.

If on the unlikely occasion that we have an excessive amount of these cases and need to dispose of them we have researched and located a company that has a use for the cases in large quantities. As well as this company, we have a number of other companies who have a need for these cases allowing us to sell them for reuse.

KPI 16.**Objective:**

Percentage of signatories providing recycling collection facilities for post-consumer packaging generated on-site.

Reporting Measure:

16A. Report on whether on-site recycling facilities are provided or not.

16B. If yes, provide details.

Results:

16A & 16B.

Report on whether on-site recycling facilities are provided and if yes, provide details.

JULY 2006- JUNE 2007		
Collection Facility	Material Type	Tonnes
Visy	Cardboard	9.54
	Aluminium/Plastics	0.50
	Paper	3.37
Astron Plastics	Polyethylene (Shrinkwrap)	0.20
Datashred	Cardboard	0.02
	Paper	1.94
	Plastics/Metals	0.22
Close the Loop	Toners - Plastics/Metals	0.04
Total Tonnes		15.83 tonnes

***Comparative Data**

JULY 2005- JUNE 2006		
Collection Facility	Material Type	Tonnes
Visy	Cardboard	5.04
	Aluminium/Plastics	0.46
	Paper	2.82
Astron Plastics	Polyethylene (Shrinkwrap)	0.20
Datashred	Paper	0.78
Total Tonnes		9.30 tonnes

Summary:

As these results show, Nintendo Australia has diverted 15.83 tonnes of materials from going to landfill. These materials are now either recycled or reused.

Our most recently implemented collection facility is that for toner cartridges and plastic bags. Both of these collection facilities had not accumulated enough in weight for a pick up when reporting for period July 2005-June 2006. This reporting period we accumulated enough used toner cartridges to order a collection. Our results as listed under Company 4, show that 0.04 tonnes of normally deposited landfill plastics and metals have now been recycled and or reused by the Toner collection company. This is a recycling implementation that has been introduced with little effort, and is showing successful results in how easy recycling collection systems can work.

Our collection facility for our plastic bags has also been successful in its implementation however the final outcome is successful in a slightly less measurable way. Plastic Bags that enter the building are now being reused for bin liners or as ways to cover food when microwaved. These actions are allowing us to limit the amount of new bin liners or glad wrap/cling wrap that we purchase. Not only are we reusing a non-recyclable product, we are also reducing our purchasing costs for these type of items.

KPI 21.

Objective:

Estimate tonnage of consumer packaging sent (a) for recycling and (b) to landfill from on-site collection facilities

Reporting Measure:

21A. Report on amounts of consumer packaging from on-site collection which is

- (i) Sent for recycling (tonnes and % of total waste); and
- (ii) Sent to landfill (tonnes and % of total waste).

Results:

- (i) Sent for recycling (tonnes and % of total waste).

JULY 2006- JUNE 2007			
Material	Tonnes Recycled	Over Produced Packaging	% of over Produced Packaging Recycled
Paper/Cardboard/Plastics/Metals	2.18	2.18	100%

*Comparative Data

JULY 2005- JUNE 2006			
Material	Tonnes Recycled	Over Produced Packaging	% of over produced packaging Recycled
Paper	0.78	0.83	94%

- (ii) Sent to landfill (tonnes and % of total waste).

JULY 2006- JUNE 2007			
Material	Tonnes to landfill	Over Produced Packaging	% of over produced packaging Not recyclable
Paper/Cardboard/Plastics/Metals	0.00	2.18	0%

*Comparative Data

JULY 2005- JUNE 2006			
Material	Tonnes to landfill	Over Produced Packaging	% of over produced packaging Not recyclable
Stickers/Labels	0.05	0.83	6%

Summary:

These results show, that although we have a higher tonnage of packaging waste that was not used in our distribution process, we have still been able to reduce the amount of packaging material going to landfill from 94% to 100%. During this reporting period, when we had to dispose of excessive packaging, it was all of a recyclable material, and was all recycled through our implemented collection facilities. Our total over produced consumer packaging of 2.18 tonnes represents 0.47% of our overall total packaging produced.

This is a result that we are very pleased with as we continue to meet our internal objective that no more than 0.5% of our total packaging will be disposed of due to over production.

KPI 26.

Objective:

Implementation of Buy Recycled purchasing policy or practices

Reporting Measure:

26A. Report on whether the signatory has implemented a Buy Recycled purchasing policy or practices.

26B. If yes, provide details and quantitative data where available.

Results:

Below are our most frequently ordered items of stationery that also have an environmentally safe option available.

The environmentally safe option means that the product consists of recycled materials. It does not necessarily mean that the product is recyclable.

This information shows comparative costs between our current costs and what our costs would be if we implemented a Buy Recycled purchasing system and bought from our supplier's environmentally friendly range.

Product	Annual Current Cost	Annual Green Range Cost
A4 White copy paper	5525.82	5855.55
Post it Notes 73x73	135.36	173.76
Post it Notes 73x123	93.60	120
Permanent Markers	160.56	86.40
Highlighters	99.90	108
Pens	130.56	134.40
Archive Boxes	201.60	178.40
Notebooks A4	152.35	144.10
Line Note Pads A4	22.80	22.80
Whiteboard Markers	14.10	8.34
Surface Wipes	13.08	13.08
Total	6549.73	6844.83
Increase in annual costs if Green Range was implemented.		\$295.10
Increase as a percentage.		4.5 %

Summary:

The Implementation of a Buy Recycled Purchasing system would best be utilised when we conduct the purchasing of our stationery consumables. The purchasing officer for stationery reviews at the time of placing any order the alternative options for consumables that may come in a "Green Range". (Green Range is our stationery supplier's environmental friendly range).

In the past the main reasons why environmentally safe items have not been purchased over non environmentally safe products is due to the quality and the cost.

Based on our purchasing requirements over the last 12 months the increase in costs by the introduction of purchasing from the Green Range would be 4.5%. We feel that an increase in costs up to 5% is acceptable when introducing a Buy Recycled Purchasing Policy.

Since the last reporting period we have began purchasing from the 'Green Range,' Surface Wipes, Lined Note Pads, Archive Boxes and 100% recycled A4 White copy paper. We are still ordering small quantities of standard non recycled paper to ensure quality of recycled paper is of a high level, by next reporting period we plan to only be using recycled A4 paper. We will continue to test the quality of other product in the 'Green Range' and we are also talking to other suppliers in hope that they have a larger range of environmentally friendly products. This KPI is still ongoing. The progress of this KPI will continue to be reported on.

KPI 27.

Objective:

Establishment of baseline performance data.

Reporting Measure:

27A. Report indicative baseline data (where available), including qualifiers and assumptions.

27B. Report established baseline data by 31 October 2007.

Results:

Baseline data that was reported on in our July 2005-June 2006 report is our indicative baseline data, enabling us to give an accurate comparison report during this reporting period.

In July 2005-June 2006 the data that was recorded and reported as baseline data was relevant to KPI 1, 6 and 21. The remaining KPI's were new to our reporting requirements; therefore we were unable to give accurate comparisons on all KPI's, whereas in this reporting period all KPI's show comparisons.

Summary:

The results and outcomes that are available from this report will act as our baseline data for our next report that will cover the period July 2007-June 2008.

KPI 28.

Objective:

Annual Reporting against Action Plan.

Reporting Measure:

Report to be lodged annually commencing 2006 outlining progress against baseline data, individual Action Plan commitments, targets and timelines.

Results:

Report submitted on 31st October, 2007.

Summary:

Our Action Plan is considered a “living” document. Any changes to the action Plan will be submitted by November of each year in conjunction with the related Annual Report which is to be submitted by October of each year. Collection and entry of data of our KPI requirements continues on a regular basis to allow us to submit our Annual Reports by 31st of October until 2008.

KPI 29.

Objective:

Demonstrated improvement and achievements against individual targets and milestones.

Reporting Measure:

Annual report to clearly demonstrate continuous improvements and performance against individual targets and timelines in Action Plan.

Results:

Report submitted on 31st October, 2007.

Summary:

Results and outcomes from Individual KPI's will be reported in each Annual Report submitted on 31st October until 2008.

Product Stewardship and Individual KPI's.

Design, Production, Distribution, Disposal, Research, Market Development, Education, Labelling, Wholesaling & Retailing, Recycling & Reprocessing.

DESIGN

Action 1

Objective:

Measure total amount of recyclable materials as a ratio of total packaging

Reporting Measure:

The implementation of a reporting system to collect total weights of packaging, and what materials we use for packaging are recyclable.

Results:

Total Packaging	Recyclable Packaging	Ratio	Percentage %
460.61	357.83	1.287:1	77.70%

*Comparative Data

Total Packaging	Recyclable Packaging	Ratio	Percentage %
141.18 tonnes	111.88 tonnes	1.262:1	79.25%

Summary:

Compulsory KPI 6 required the reporting of our total amount of "non recyclable" packaging as a % of total packaging sold which was 22.30%.

This KPI was set as an individual KPI to show the total amount of "recyclable" materials as a ratio of total packaging to support the fact that if we currently have 22.30% of our total packaging as non recyclable, then our total of recyclable materials as a percentage to our total packaging would be 77.70% as shown from our results above.

To report the ratio of recyclable materials to total packaging, our results show that to every 1.287 tonnes of packaging there is 1 tonne of recyclable packaging material.

Action 2

Objective:

Request information from Nintendo Co. Ltd. on environmental consideration of packaging.

Reporting Measure:

Report the environmental considerations of packaging materials that are incorporated during the design processes.

Results:

When changes in packaging are being considered, Nintendo Co. Ltd. are in direct communication with Nintendo Australia to request that we research the impact that the new material will have on the environment and whether the material complies with Australian environmental laws.

Summary:

This is an ongoing KPI where Nintendo Australia has continued to work closely with Nintendo Co. Ltd. on any changes made to packaging to ensure it meets the expectations and requirements of our legislation. See Design Action 4 for an example of this.

Action 3

Objective:

Evaluate packaging materials for recyclability by using the packaging check list.

Reporting Measure:

Research and investigate the recycling of non recyclable materials that are identified on our packaging check list.

Results:

All new materials that have been identified on our Packaging Check List during this reporting period have been recyclable. The Packaging Checklist is used when we locally produce an item. As the results show in KPI 1, during this reporting period we locally produced 4.97 tonnes of paper.

Summary:

A Packaging Check List is completed for materials that are produced locally. The Packaging Check List ensures that the materials we produce locally are given the same considerations to our imported materials.

As mentioned above, 4.97 tonnes of packaging was produced locally. All of this 4.97 tonnes is made up of paper covering various forms of necessary consumer information. For example, Instruction Manuals, Precaution Manuals, Covering Sleeve etc. These forms of consumer information are all recyclable with recycling collection facility in place.

Action 4

Objective:

Consult with Nintendo Co. Ltd. on any new changed packaging materials.

Reporting Measure:

Report on information received from Nintendo Co. Ltd. regarding variations to specific materials.

Results:

Throughout this reporting period Nintendo Co. Ltd. did not make variations to any current packaging materials that required them to report to Nintendo Australia. However the Wii remote was introduced into the market with a new type of packaging, a plastic inner tray, investigations have shown that this tray is recyclable.

Summary:

Nintendo Co. Ltd. are aware of their obligations to inform affiliates of any changes to packaging.

Nintendo Australia will continue to communicate with Nintendo Co. Ltd. on changes made to packaging materials. These variations will be recorded and reported when identified.

Action 5

Objective:

Include directions to recycle on outer cartons of Point of Sale when dispatching.

Reporting Measure:

Discuss with our suppliers of cartons about implementing this and report findings.

Results:

We have been able to implement the use of the recycling symbol on the outside of point of sale packaging.

Summary:

We have been able to implement this on cartons that we purchase. We also reuse cartons that have come into the business on deliveries from other companies; these don't always have recycle symbols on them.

Action 6

Objective:

Ensure where possible materials that are recyclable are used for Point of Sale.

Reporting Measure:

Discuss with our printer the implementation of this and report outcomes.

Results:

This was discussed with our supplier of Point of Sale and cost effectiveness was considered. Our supplier was able to supply us with Point of Sale using recyclable materials at the same cost as using non recycled materials. This was implemented immediately and from this point on we can report that at least 80% of Point of Sale produced is on recycled material.

Summary:

Our supplier will work with us to continue to use recycled material to produce our Point of Sale. We will continue to communicate and research what we currently are not able to have produced on recycled material and look for alternatives.

PRODUCTION

Action 1

Objective:

Advise packaging manufacturers of our commitment to the Covenant and encourage minimizing waste in over-production runs (objective of maximum 0.5% disposal of over production packaging).

Communicate with our packaging manufacturers via letter, our commitment to the Covenant, and continue to work together on the accuracy of orders and production quantities.

Reporting Measure:

Communicate with our packaging manufacturers via letter, our commitment to the Covenant, and continue to work together on the accuracy of orders and production quantities.

Results:

A letter was sent communicating our commitment to the National Packaging Covenant during our last reporting period. Our result showed a 14% response rate. We were monitoring any new suppliers and retailers that became new signatories. During this reporting period, we have been informed via the NPC website that three major supplier/retailers that we deal with directly have become new signatories.

Summary:

We will continue to monitor new signatories to The National Packaging Covenant that are business partners of Nintendo Australia. This is an ongoing KPI and we will review our approach during our upcoming reporting period July 2007-June 2008 to improve our response rate of communicating this message to our supplier and retailers.

DISTRIBUTION

Action 1

Objective:

Record amounts of stretch wrap recycled from newly implemented recycling system.

Reporting Measure:

Inform our service provider of the recording information we require and record data.

Results:

195 kg (0.20tonnes) of stretch wrap has been recycled through our recycling collection facility. Please note that this is clear stretch wrap, not black stretch wrap.

Summary:

This collection facility is working well as we continue to recycle our used clear stretch wrap. Astron Plastics is our major recycler of clear shrink wrap.

Action 2

Objective:

Identify areas of waste in the distribution process and implement a reduction plan.

Reporting Measure:

Report on non recyclable materials in our material range. Liaise where possible with other users of this material to share ideas and reduction plans. Provide detailed report.

Results:

The only material that we use in the distribution process that is not recyclable and has no collection system in place for recycling or reuse is our paper labels and sticky tape due the adhesives.

Summary:

We continue to investigate companies who are able to recycle or reuse these two materials but to this point we have not been successful, mainly due to the adhesive on tape.

Action 3

Objective:

Raise the level of awareness of waste minimisation with our partners in the distribution process.

Reporting Measure:

Communicate with our suppliers via letter our commitment to minimizing waste in the distribution of inwards and outwards goods.

Results:

Please refer to Action 1 under Production for our results.

Summary:

This KPI was combined with Action 1 under Production. We set three KPI's to communicate our various goals as a signatory to the National Packaging Covenant and found it to be more effective to send one letter containing all objectives.

Last reporting period we contacted our suppliers via letter, and we plan to continue to persist with this action to continue to raise awareness. We will continue to raise the level of awareness through other communication channels to try and increase our response rate during the next reporting period July 2007 - June 2008.

Action 4

Objective:

All printed matter arriving into Nintendo Australia will now have net and gross weight totals enclosed in a report. This will determine the actual product weight.

Reporting Measure:

Implement a reporting system to store this information for future monthly and annual reports and analyses.

Results:

The implementation of our database was crucial to the annual reporting process allowing us to extract the statistics that we required to report on our KPI's. Weights for each item of printed matter produced locally are received in a report each time we receive our printed material from our nominated supplier. These weights are then entered into our reporting system to be able to determine the total amount in tonnes of printed matter produced locally.

All printed matter that is imported is weighed once it has reached Nintendo Australia. There is currently no report recording the weights of printed matter that is imported from our overseas supplier, therefore we are responsible for weighing these items ourselves. These weights are entered into our reporting system to be able to determine the total amount of imported printed matter.

Our total tonnage of printed matter arriving into Nintendo Australia (locally produced and imported) during this reporting period was 116.55 tonnes. This is a 48% increase compared to last reporting period, where we printed 55.48 tonnes.

Summary:

The recording systems that we have implemented to collect this data are well established and working well.

We continue to update the database upon the arrival of the printed matter, allowing for easy extraction of this data for the Annual Report.

Having implemented such systems impose the need to look at the materials that we produce locally and import to ensure that we are using the best possible materials, and where possible that they are recyclable.

Action 5

Objective:

Continue to utilise cartons that can be recycled for packing and despatch to retailers.

Reporting Measure:

Educate staff on the importance and requirement to re-use incoming cartons where possible. Educate on the correct way to receive and open cartons to ensure where possible they are at the standard for re-use.

Results & Summary:

All Warehouse staff are regularly made aware of the environmental and cost benefits to re-use all cardboard cartons when picking and packing our products for distribution. This communication has been very successful and understood by all Warehouse staff.

Further to the email sent last period, we have continued to raise awareness of the potential we have to re use incoming cartons and to also educate staff on our expectations and standards required for the carton to be able to be reused. For example, that care is taken when removing barcodes, labels, or markings.

Recycling of cartons is not only good for the environment but also provides good cost savings for the company. We also raise this issue at our staff meetings to ensure that all staff are aware of this being a major part of our companies commitment to the environment. This will continue to be part of our ongoing training for warehouse and office staff to re-use cartons where practicable.

DISPOSAL

Action 1

Objective:

Graph and report monthly figures of waste in Director's monthly reports. Total packaging imported, produced (locally), disposed of and waste in to landfill and recycled.

Reporting Measure:

To correspond with Covenant KPI 1. Enter information into our spreadsheet on a monthly basis and add reporting to monthly Operations report.

Results:

An example of what is now included in the Operations Department's monthly report to all Director's is a breakdown of what leaves the building from our collection facilities. Please see For Example:

290 kgs Paper
480 kgs Cardboard
560 kgs Landfill
40 kgs Aluminium / Plastic

Summary:

Reporting these figures now allows the Director's to engage in open discussion about our recycling collection facilities and waste going to landfill.
We will continue with the reporting of this information to all Director's on a monthly basis to keep the communication door open about new initiatives on ways to reduce our waste..

Action 2

Objective:

Implement new recycling systems for materials not currently being recycled (plastic bags, electronic equipment, batteries etc).

Reporting Measure:

Discuss and decide on new implementation where possible, identify areas for collection, inform all staff of new implementations, and monitor to ensure full understanding.

Results:

Our two new recycling systems implemented for materials that previously were not being recycled prior to us being involved with the packaging covenant are;

Plastic Bags: When researching a company that will recycle stretch wrap, we identified the possibility that this same company would recycle plastic bags.

Plastic Bags are predominantly reused, as opposed to being recycled through our implemented collection facility. We are finding that we have a need for them within the building, which is reducing our costs by not having to purchase a product to complete the same purpose.

Batteries: The collection facility for batteries was announced in February 2006. The company that recycles these batteries will only make a collection once 1,000 kilograms (1 ton) in weight is available. To date we have not had a collection.

Summary:

Both systems have now been implemented as an on site collection facility and communicated to all staff.

Both collection facilities have a minimum weight requirement before a pick up is arranged, and as the recycling of these materials is new we have not yet accumulated enough to arrange a collection. This is an ongoing KPI.

Action 3

Objective:

Reduce waste collections and minimise cardboard going to recycling by reusing.

Reporting Measure:

Uphold current systems in place, and continue to investigate and be updated with new and upcoming recycling projects to ensure materials are not sent to landfill where recycling systems are in place. E.g. black stretch wrap.

Results:

Please refer to our results for Action 5 under Distribution for our actions taken to minimise the amount of cardboard going to recycling by re-using.
Another result for this action is the implemented recycling system for black stretch wrap. We reuse a large quantity of our black stretch wrap during the distribution process as packing material so as we have not accumulated a lot of waste, we therefore have not had a collection during this reporting period.

Summary:

Black stretch wrap is now recyclable through our same recycler of plastic bags, and clear stretch wrap. Before finding a recycler of this material black stretch wrap was our main non recyclable material used in our distribution process. Rather than dispose of this material to landfill, we continue to re use black stretch wrap for our outgoing orders to distribution centres. In instances where this is not reused we can include it to our recycling on site collection facilities. Now that this facility is underway we continue to have no major products that can't be recycled.

Action 4

Objective:

Continue with current implemented plans for recycling of cardboard, plastic and paper.
Continue to monitor the weights of materials being disposed.

Reporting Measure:

Audit spreadsheets every 6 months to monitor disposals.

Results:

The results of the implementation of this Action are reflected in the KPI's where we have recorded and reported on these weights.

Summary:

This is an ongoing KPI and we will continue to collect, enter and audit the weights for cardboard, plastic, paper and any other material we use to conduct our business.

Action 5

Objective:

Continue with shredding of printed matter that no longer is to be used. This shredded material can be used for packaging.

Reporting Measure:

Implement regular shredding of printed matter to avoid mass accumulation. Co-ordinate this with our Business Reviews

Results:

With the recycling collection facilities in place we have a minimal amount of paper that is not already a part of a recycling collection system or that is not already regularly reused. Our current shredding of paper within the office area is a part of our VISY paper recycling system. Our confidential documents and printed matter are a part of our document destruction collection facility.

Summary:

If we have a large accumulation of confidential printed matter that is not destroyed through our document destruction process or through our onsite collection facility, this is shredded on a need only basis to assist in the packaging process of our products.

We continue to shred non useable booklets, instruction manuals etc. The Shredded materials are reused for the purpose of protecting the product in the distribution process.

MARKET DEVELOPMENT

Action 1

Objective:

Contribute to the National Packaging Covenant funding arrangements to address a broad range of programs including away from home recycling and enhancing recycling infrastructure.

Reporting Measure:

Make annual contribution and communicate the use of funding to senior management

Results:

Nintendo Australia have the intention to make its annual contribution to the National Packaging Covenant funding as per the contributions schedule however at the time of preparing this report we are waiting for the Declaration of Contribution to the NPC Funding paperwork. We have contacted the National Packaging Covenant who inform us this will arrive shortly.

Summary:

Nintendo Australia will continue to make annual contributions as a commitment to the National Packaging Covenant to help the recovery and recycling of used packaging.

Action 2

Objective:

Investigate best practice for recycling and waste reduction in our industry and overseas.

Reporting Measure:

Utilise local and international meetings as an opportunity to share local and global environmental issues. Share ideas and current implementations that may not already exist within our business and report on outcomes.

Results:

International meetings such as the Global Compliance meeting which is held in May and November of each year for the Nintendo Group, which allows affiliates to discuss local recycling and waste reduction options. In the upcoming November meeting Environmental Compliance is scheduled as an agenda item.

These meetings have made us more aware of the changes in Europe's environmental laws, and how these may affect us in Australia.

Nintendo Co. Ltd. have staff dedicated to investigating the packaging materials that we use and are required to make sure these materials comply with environmental laws.

Summary

Nintendo Australia will continue to share ideas and current implementations that may not already exist within our business and report on outcomes.

We will continue to raise, share and discuss ideas with our packaging to ensure it complies with Australian legislation.

EDUCATION

Action 1

Objective:

Continue to raise awareness of our commitment to the National Packaging Covenant by; presentations at quarterly staff meetings, quarterly Business Affairs bulletins on recycling, induction program for new staff, implement an environmental friendly day – lunch packaging.

Reporting Measure:

Record and report on current and new awareness activities.

Results:

During January, April, July and October we held quarterly staff meetings, all staff attend. The Environmental Committee nominate a spokesperson to speak at every meeting to continue to raise awareness of individuals impact on the environment and ways we as a business can reduce these. Any new recycling facilities are announced and a question and answer session allows for questions and fresh ideas to be raised.

Summary:

Quarterly staff meetings are the most effective way to communicate and raise awareness of our environmental commitments and we continue to discuss projects that may encourage staff to become more aware/involved in our environmental initiatives.

Action 2

Objective:

Education program for retailers including a letter of our commitment to the National Packaging Covenant.

Reporting Measure:

Revise previous letter sent, update contact names, and recognise current signatories to the National Packaging Covenant to encourage non signatories to do so.

Results:

Please refer to results and summary for Action 1 for Production as this Action worked in conjunction with that KPI.

Summary:

During the previous reporting period we sent out correspondence outlining our involvement with the National Packaging Covenant, our response rate was 14%. Although this was low, it did include responses from 3 of our top 10 biggest Retailers that are nationally recognised. At the time of communicating our message to our retailers the Coles Myer Group was not a signatory to the National Packaging Covenant, however on 10th October 2006 it was announced that they have re-signed the covenant. We received information that this was going to happen from their response to our letter and now it is confirmed. Their Action Plan covers all entities. We have direct dealings with their Target and K-mart chains. This is a positive step forward and allows us the opportunity to work together with distribution and our Point of Sale processes.

Due to the low response from the above we decided not to send correspondence this period enabling those that received our previous correspondence a chance to look into joining the Covenant. We note that Corporate Express, our Stationary Supplier, JB Hi-Fi Limited and Myer Pty Ltd are all companies that received our previous correspondence and have joined the Packaging Covenant during this period

We will persist with this KPI through continuous correspondence and make improvements in our follow up process to gain a higher response rate.

Action 3

Objective:

Include our Action Plan on the company intranet.

Reporting Measure:

Inform the I.T. Department, and communicate when updates need to occur

Results:

Nintendo Australia continues to post the Action Plan that was submitted to the National Packaging Covenant on the company intranet.

Summary:

Environmental Committee members will continue to inform the I.T. department of any updates to the Action Plan to ensure these changes are uploaded to the intranet.

Action 4

Objective:

Include our Environmental Policy on the company intranet

Reporting Measure:

Inform the I.T. Department, and communicate when updates need to occur.

Results:

Nintendo Australia continues to post its internal Environmental Policy on the company intranet.

Summary:

Environmental Committee members will continue to inform the I.T. department of any updates to the Environmental Policy to ensure these changes are uploaded to the intranet.

Action 5

Objective:

Reminder to staff about recycling - what is and what is not a product that can be recycled and where to find this information.

Reporting Measure:

Conduct audits on recycling collection bins to ensure the correct materials are reaching the correct recycling bin.

Results:

Regular audits are being conducted within the offices and warehouse to ensure staff are understanding what materials have recycling facility systems in place and that the correct materials are reaching these bins.

Careful monitoring of the implemented plastic bag recycling systems will continue to ensure staff are understanding the requirements of these bins.

Summary:

Many of our recycling systems have been in place for a number of years and staff are showing a full understanding of the recycling systems that currently exist.

New employees are given a copy of our Environmental Policy during their induction period and we communicate to them our obligations as a business to reduce the impact of our daily business practises on the environment. To ensure that staff do understand our recycling system it was determined by the environmental committee that large colour coded labels, including pictures be placed on all recycling bins to further reduce contamination.

LABELLING

Action 1

Objective:

Investigate recycling symbols and ways of including recycling symbols on to product packaging.

Reporting Measure:

Research recycling symbols and their use in Australia. Prepare a report for the Environmental Committee.



Results:

The recycling symbol or “Mobius Loop” (shown above) consists of three twisted chasing arrows in a triangle. No one “owns” the Mobius Loop, however there are guidelines regarding its use.

Those guidelines ensure that the Mobius Loop is only used on products or packaging with “recyclable” or “recycled” content.

It is important to ensure that if placing the symbol on a product that there are established recycling facilities to recycle this product to ensure that the symbol is not misleading. It is not acceptable if these facilities do not yet exist or there are few facilities, or they exist only as pilot plans.

The Mobius Loop is different to the Plastic Coding System. The Plastics Coding System is used to indicate the most common material used in the manufacture of the product or packaging. Their purpose is to assist recyclers with sorting the collected materials but they do not necessarily mean that the product/packaging can be recycled in Australia either through domestic kerbside collection or industrial collections.¹

	Polyethylene terephthalate (PET)		Polypropylene (PP)
	High density polyethylene (HDPE)		Polystyrene (PS) or Expandable polystyrene (EPS)
	Unplasticised polyvinyl chloride (UPVC) or Plasticised polyvinyl chloride (PPVC)		Other, including nylon and acrylic
	Low density polyethylene LDPE		

Summary:

We will continue to work with the Trade Marketing Coordinator to ensure the guidelines are understood before Action 2 under Wholesaling and Retailing is implemented. Recycling symbols are able to be placed onto our Point of Sale where it is printed on recycled paper. Where we can not use recycled paper to produce our Point of Sale we will need to confirm with our supplier that the Point of Sale is recyclable considering the end user and whether it will be disposed of through a kerbside collection facility or an industrial collection. To place symbols on all product packing we need approval from Nintendo Co. Ltd. and at this stage it is not viable to do so. We will continue to investigate this KPI.

¹ www.ecorecycle.sustainability.vic.gov.au

WHOLESALE AND RETAILING

Action 1

Objective:

Communicate with Retailers (letter) and Merchandisers (Memo) on the correct method of disposals for Point of Sale material.

Reporting Measure:

Send letter to Retailers, and mail a Memo to Merchandisers advising them of our commitment and expectations and guidelines regarding correct disposal of Point of Sale material.

Results:

This Action is in conjunction with Action 6 under Design.

As we continue to identify what Point of Sale is and is not produced on recycled material, and what Point of Sale is recyclable, we will then communicate the correct way to dispose of Point of Sale and communicate this to our Retailers and Merchandisers.

Summary:

This is an ongoing KPI. As our success rate is currently at 14% for communicating via letter, we aim to communicate this message in a way that will reach more people and communicate the message more effectively. For example via email to staff involved within companies environmental committees or direct to the staff members involved with the installation and disposing of Point of Sale.

This is an ongoing KPI.

Action 2

Objective:

Place recycling symbol on Point of Sale material

Reporting Measure:

Communicate and make enquiries with our printers and report on findings.

Results:

As this would change the layout and artwork design of our current processes when developing Point of Sale, there are a number of formal steps that need to be taken before we can move forward with implementing this. Initially we would require approval from our head office in Japan by submitting a proposal.

Summary:

Further discussions will continue to reach an outcome on this KPI. This is ongoing.

Action 3

Objective:

List all major trading partners and their commitment to the National Packaging Covenant.

Reporting Measure:

List signatories to the National Packaging Covenant in our letter to Retailers and in our annual report. Record any outcomes gained from promoting this information.

Results:

Below are the listings of our trading partners that were signatories to the National Packaging Covenant MK I and businesses that have provided services to Nintendo Australia throughout this reporting period or vice versa.

Australia Post
Cadbury Schweppes Australia Limited
Coles Group Limited
David Jones Limited
IBM Australia
Vodafone Australia
VISY Industries
Corporate Express
JB Hi-Fi Limited
Myer Pty Ltd

Summary:

We will continue to communicate our commitment to the National Packaging Covenant by listing all major signatories as well as outlining the companies that relate to our industry who are not signatories and encourage them to sign and make them aware that they are not contributing to such an important issue.

RECYCLING AND REPROCESSING

**Please note. This category has been covered in KPI's under Wholesaling and Retailing, Education, Distribution and Labeling.*

REPORTING

Action 1

Objective:

Nintendo Australia will attend Nintendo's Global Compliance meeting and report on the progress of their Action Plan and commitment under the National Packaging Covenant.

Reporting Measure:

Attend the Global Compliance meeting and report on the progress of our Action Plan and commitment under the National Packaging Covenant.

Results:

Nintendo Australia participated in the Global Compliance meeting in May 2007. Our representative discussed the objectives of the National Packaging Covenant, our three year Action Plan the reporting process and the development and progress of our KPI's within the Action Plan. Environmental Compliance is scheduled as an agenda item at the November Meeting.

Summary:

The Nintendo Group recognises the importance to raise issues and discuss the impact our packaging has on the environment at each Global Compliance meeting which occur May and November of each year. Environmental issues will continue to be an agenda item at each Global Compliance meeting.

Nintendo Australia will continue to share our developments and update all affiliates at each Global Compliance meeting.

SIGNATORY COMMITMENT

The National Packaging Covenant Report on Action Plan for period 2005-2008 is signed on behalf of:

Organisation:

Address:

By

Signature:

Name:

Position:

Date:

Brand names covered by the Organisation:

.....

Covenant Contact Officer

Name:

Address:

Position:

Phone Number:

Email Address: